

# Contents

SPECIAL REPORT

## Career College Community Responds to Hurricane Katrina

*As We Go To Press*

### Career College Association Members Create Hurricane Relief Fund

In response to the devastation of over a dozen CCA member campuses, CCA and CCF have created a \$500,000 disaster relief fund.

### Embanet Offers Institutions Affected by Katrina Free Services

Educational institutions whose offerings and services have been halted as a result of Katrina may now use Embanet's hosting and live technical support for students and faculty at no additional charge for up to two semesters. p.1

### Rasmussen College Online Offering Free Online Courses to Students Impacted by Hurricane Katrina

As a member of the Sloan Consortium the college is offering its online courses tuition-free. p.1

## Hurricane Relief: Keiser Announces Community Wellness Day October 10th

Blood pressure checking and massages will be offered in communities served by the 18 Keiser campuses to raise money for the Florida Hurricane Relief Fund. p.2

## Heald College Offers Temporary Enrollment to Students Displaced by Gulf Hurricanes

The students will receive "visiting" or "provisional" status for the October 2005 quarter along with free tuition and books. p.2

## Empire Beauty Schools Launches National Day of Beauty on Saturday, October 1

The program involves students, faculty, clients, vendors and the corporate team with a goal of \$100,000 for the American Red Cross for Hurricane Relief. p.3

## The Career College Community Responds

The CCA Web site details the efforts of many of the member schools in providing hurricane relief. p.5



The Career College Information Source

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### Hurricane Relief Legislation

#### Enacted in September

Tom Netting, Jefferson Government Relations, summarizes the four bills that were signed into law that impact students and educational institutions. p.6

## CAREER COLLEGE UPDATES

### For-Profit Schools May Close Gap in Texas' Effort to Boost Enrollment

With a fast growing first generation college population, Texas is seeking to increase enrollment in postsecondary education to 1.5 million by 2015. p.7

### Baker College Online Posts 21 Percent Enrollment Increase for Summer Quarter, Continuing Double-Digit Growth Trend

A total of 8,037 students throughout the Baker College system took Baker Online classes this summer quarter. p.9

### Universal Technical Sees Campus Growth

UTI's CEO Kimberly McWaters expects the company will teach at least 2,000 more students in the U.S. each year over the next five years. p.10

## NEW PROGRAMS

### Heald Colleges Launch New Programs

The college will offer agribusiness, legal assisting and health information technology at selected campuses. p.11

## PERSONNEL APPOINTMENTS AND PROMOTIONS

**Rosemarie Mecca** appointed as Laureate Education, Inc.'s new chief financial officer. p.12

**Scott Levine** will join Career Education Corporation's legal team. p.12

**Terry O. Hartshorn** will join the Corinthian Colleges' board of directors. p.13

**Carmella Cassetta** has joined Corinthian Colleges as its chief information officer. p.13

## ACQUISITIONS AND MERGERS

### CrossOff Has Agreed to Acquire CDI Corporate Education From Corinthian Colleges' CDI Division

The acquisition will create Canada's largest provider of corporate training. p.14

### EVCI Career Colleges Completes Acquisition of TCI

Technical Career Institutes, Inc. enrolls approximately 3,000 students and operates out of two facilities. The deal is valued at \$16 million, subject to adjustment. p.14

## EDUCATION TRENDS

### Part-Time Schools Reaping Benefit of MBA Recovery

With the demand for MBAs returning, schools that offer degrees for working adults are now serving 80 percent of the market. p.15

## CORPORATE SCHOOL NEWS & REPORTS

### APOL Apollo Group, Inc.

The company reported that revenue and earnings for the recently ended fiscal fourth quarter would be below expectations, which produced a 7 percent drop in share price. p.16

Company founders John G. Sperling and Peter Sperling both were listed in the *Forbes* 400 Richest in America, ranking 153 and 198 respectively. p.17

### CCDC Concorde Career Colleges, Inc.

The company will repurchase 600,000 shares of common stock from the Robert F. Brozman Trust. p.18

### COCO Corinthian Colleges, Inc.

Michael Berry's highly critical letter of resignation from the company's board of directors was not only made public, but also featured in the *New York Times*' article, "Ouch! A Director's Parting Shot." p.19

*Barron's* article, "Crunch Time," is more positive on the company and its new management's ability to turn the company around. p.24

## FINANCE AND INVESTMENT

### **At Capella, Education Is A Business**

The company plans an \$86 million initial public stock offering in the coming months. p.27

## LEGAL ISSUES AND INVESTIGATIONS

### **Call Sallie Mae, Career Education to State Hearing, For the Sake of Consumers**

Pennsylvania legislator is questioning Sallie Mae's high interest rates as well as the performance of CEC's Lehigh Valley College. p.29

### **The Decline and Fall of Drake Business Schools: A Textbook in Crisis Nonmanagement**

The *New York Times* continues a story first reported by the *CAREER EDUCATION REVIEW* detailing the closing of the once highly regarded business school. p.30

### **Richmond Hill Couple Charged With Embezzling \$800,000 From Drake Business School**

In connection with the closing of Drake Business School, the Queens DA has charged a woman, who formerly worked in the accounts payable department, and her husband, with stealing from the Astoria campus. p.32

### **College Closes Call Centers Amid Complaints, Probe**

Decker College has closed its two Kentucky call centers and is temporarily ending new student admissions. p.34

### **Local For-Profit College Faces Allegations of Misleading Students**

Eight students have filed a lawsuit worth more than \$200 million against Decker College for allegedly being misled by recruiters. State officials are also reviewing the school's performance. p.34

### **Technical School in Lynnwood Shuts its Doors**

Northwest Technical College, Lynnwood, Wash., a computer and medical coding training school with 90 students, closed. This is the third career college to close in Washington in recent months. p.37

### **Commission Puts Harrison Career Institute on Probation**

ACCST has put the institute on probation. The institute is also seeking to have a \$3.64 million fine lifted by the Department of Education. p.38

### **Beauty School President Sentenced for Student Financial Aid Fraud**

Arthur B. DeConciliis, president of Pittsburgh Beauty Academy, was sentenced to one-year probation and ordered to pay restitution of \$83,898 for his role in a financial aid fraud scheme. p.38

## REVIEW OF ADVERTISEMENTS

### **Display Ads** p.39

- ECPI College of Technology
  - Denver Career College
  - Mundus Institute
  - Parks College
  - Iverson Business School
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